




J. TYLER McCAULEY
AUDITOR-CONTROLLER

COUNTY OF LOS ANGELES DEPARTMENT OF AUDITOR-CONTROLLER

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May 7, 2004

TO: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Yvonne Brathwaite Burke
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

FROM: J. Tyler McCauley
Auditor-Controller 

SUBJECT: **PROPERTY TAX – MEASURE B REVENUE AND COLLECTIONS**

On November 12, 2002, your Board instructed the Auditor-Controller to establish a Measure B Oversight Committee to monitor the collection and expenditure of the property tax revenues. On October 14, 2003, I notified your Board that the steps necessary to implement the Measure B special tax were completed. This memorandum is to inform you of the status of the fiscal year 2003-04 collections and the current revenue estimate for the Measure B special tax.

As of today, we have collected \$171,447,730 in Measure B tax revenue. Based on historical delinquency rates, we anticipate that \$173.2 million will be collected by the end of June 2004. The revenue budget approved by your Board for 2003-04 is \$170 million, based on the Assessor's revenue estimate in June 2003. As a result of identifying additional properties subjected to the Measure B parcel tax and other adjustments, the adjusted charges or revenue estimate for 2003-04 has increased to approximately \$178.6 million. The total collections to date of \$171.4 million represent 96% of the current adjusted revenue estimate of \$178.6 million.

The revised revenue estimate also includes those adjustments completed to date for approved appeals by property owners. It should be noted that of the remaining balance of \$5.4 million (\$178.6 million less \$173.2 million), the Auditor-Controller will accrue approximately \$2.4 million in fiscal year 2003-04 which is expected to be collected next fiscal year bringing the revenue recognized for fiscal year 2003-04 to \$175.6 million (\$173.2 million plus \$2.4 million). The remaining balance will be collected and made available for spending in future fiscal years.

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We will continue to monitor the revenue and expenditures associated with Measure B activities and will notify your Board of material changes.

Please let me know if you have any questions.

JTM:MMO:SJL

C: David E. Janssen, Chief Administrative Officer
Thomas L. Garthwaite, M.D., Director and Chief Medical Officer
Rick Auerbach, Assessor
Mark Saladino, Treasurer and Tax Collector